

## Disability Income

These standards are provided to assist the insurer in filing forms and rates. They are not intended to be all-inclusive, and are a work in progress. The standards are a brief synopsis and do not contain all requirements or exceptions. All citations should be reviewed. ***Insurers are responsible for assuring that forms and rates submitted comply with Utah Insurance Code and Rules, UCA § 31A-21-201(2). If submitted filings are found to be out of compliance will be referred to our Market Conduct Division for review and possible action.***

Filing Procedures		
Filing of Forms	31A-21-201 R590-220	Forms are accepted on a File and Use basis. It is the insurers responsibility to be in compliance with Utah Code and Rules. A filing that does not comply with code, rules, or standards will be rejected, and is not considered filed with the department.
Sample Data	R590-220-7(1)(c)	Each form must be completed with data that is representative of the market intended to accurately reflect its purpose and use.
Variability	R590-220-7	All variable information must be bracketed with an explanation of the variables. Changes must be refilled prior to use.
General Requirements		
Age	R590-126-6(8)	If age is to be used as a determining factor for reducing the maximum aggregate benefits made available in the policy as originally issued, such fact shall be prominently set forth in the outline of coverage and on the schedule page of the policy.
Appeal Process	31A-22-629 R590-203	Requirements for adverse benefit determination reviews.
Application	31A-21-201(1) & (3) R590-126-6(1)	Questions regarding policies that are rated, modified, or issued other than as applied for must reference "to your knowledge." Questions used to elicit health condition information may not be vague and must reference a reasonable time frame in relation to the health condition. The application must conspicuously provide the insurers exact name and domicile state.
Arbitration	R590-122	An arbitration provision must be properly disclosed in the policy, certificate, application, and enrollment forms. It may not deprive Utah courts of jurisdiction over an action against an insurer, except as provided in permissible arbitration provisions. Binding arbitration is permissible only when opted by the insured. An insurer may not compel an insured to binding arbitration.
Certificate	31A-21-311	The certificate shall contain a summary of the essential features of the insurance coverage, including any rights of conversion. The certificate must conspicuously provide the exact name of the insurer, and the state of domicile of the insurer.
Claim Settlement	31A-26-Part 3 R590-192	Provides for fair and rapid settlement of claims and protection of claimants from unfair claims settlement practices.
Company Name	31A-21-201, 301(1) & 311	The exact name of the insurer and its state of domicile must appear conspicuously in the policy.
Definitions	31A-1-301 R590-126-3	Definitions used in Utah Code and Rules. All Accident and Health forms must comply with these definitions.
Endorsement or Rider	31A-21-106(2) R590-126-6(3) & (4)	A contract may not be modified unless it is in writing and requires a signed acceptance by the insured. If additional premiums are charged for endorsement benefits, the premium shall be disclosed on the policy or certificate.
Examination Period	31A-22-605(9) & 606	Required time period an insured has for policy examination.
Exclusions	31A-21-201 R590-126-4(4)	Allowable exclusions.
Felony, riot or insurrection	31A-21-201 R590-126-4(4)(u)	May exclude losses resulting from an insureds <b>voluntary</b> participation in a felony, riot or insurrection, or similar act.
Grace Period	31A-22-607	Policies shall provide a grace period. Group policies must provide a 30 day grace period during which the policy remains in-force.
Illegal Activities	31A-21-201 R590-126-4(4)	Exclusions are limited to losses related directly to an insured's voluntary participation.
Incontestability	31A-22-609	Only a fraudulent misstatement regarding insurability is a basis for avoidance after coverage has been in effect for two years.
Incorporation by Reference	31A-21-106	A policy may not incorporate any provision not fully disclosed, unless citing a federal or state law, rule, or public directive.
Jurisdiction	31A-21-314	Policy cannot be construed according to the laws of another jurisdiction, and Utah courts jurisdiction cannot be denied.
Limitation of Actions	31A-21-313	Rights of action against an insurer. Actions must commence within three years after inception of the loss.
Medicare Disclaimer	R590-126-8(14)	Policies issued to persons eligible for Medicare by reason of age, shall contain a notice on the first page, or attached to the first page, of the outline of coverage that the policy is not a Medicare Supplement policy.
Nondiscrimination Among Health Care Professionals	31A-22-618	No insurer may unfairly discriminate against any licensed class of health care providers by structuring contract exclusions that exclude payment of benefits for the treatment of any illness, injury, or condition by any licensed class of health care providers when the treatment is within the scope of the licensee's practice.
Notice of Premium Change	R590-126-5(14)	Premium change notification shall be given no fewer than 45 days before the renewal date.
Notice of termination	31A-22-716	Policies shall obligate the policyholder to give 30 days prior written notice of termination, and to notify of right to continue coverage upon termination.
Physical Exam	31A-21-201	If an insurer requires a physical exam, the insurer must pay for such exam.
Post Hospital Admission	R590-126-5(7)	Policies providing convalescent or extended care benefits following hospitalization may not condition such benefits upon admission to the convalescent or extended care facility with a period of less than 14 days after discharge from the hospital.
Proof of Loss and Notice	31A-21-312 Bulletin 87-6	Proof of loss provision must allow the insured or claimant to file the notice and/or proof of loss as soon as reasonably possible. Failure to give any notice or file any proof of loss within the time specified does not invalidate a claim if it was not reasonably possible to file within the specified time and that notice/proof was given as soon as reasonably possible. Failure to give notice or file proof of loss does not bar recovery under the policy if the insurer fails to show it was prejudiced by the failure.
Reinstatement	31A-22-608	Required reinstatement provision.

Renewal or Non-renewal	R590-126-6(2)	Each policy shall include a renewal, continuation, or non-renewal provision. Such provision shall be appropriately captioned, shall appear on the first page or schedule page, of the policy.
Replacement	R590-126-9	Replacement of accident and health insurance requirements
Reservation of Discretion	R590-218	Reservations of discretion provisions are strictly prohibited unless the policy is an ERISA employee benefit plan. If an ERISA plan contains a reservation of discretion provision, it must include the required disclosure provided in the rule, and be submitted as variable language.
Transplant Donor	R590-126-5(8)	If transplant coverage is provided, benefits shall also be provided for the live donor's eligible expenses.
War, acts of war, terrorism	R590-126-4(4)	May exclude losses resulting from war, acts of war declared or undeclared, terrorism, acts of terrorism and nuclear release.
<b>Specific Requirements</b>		
Benefit Standards	R590-126-7(5)	Policies must comply with the benefit standards for the policy being filed.
Continuous Total Disability	R590-126-5(3)(g)	Termination of a policy shall be without prejudice to any continuous loss that commenced while the policy was in force.
Disability Income Benefits	R590-126-5(10)	Disability income benefits may not require a loss to commence fewer than 30 days after the date of accident, nor may any policy which the insurer cancels or refuses to renew require that it be in force at the time disability commences, if the accident occurred while the policy was in force.
Outline of Coverage	R590-126-8(5), (12), (13), (15) & (16)	Outline of coverage requirements.
Recurrent Disability	R590-126-5(9)	A policy may contain a provision relating to recurrent disabilities, but no such provision may specify that a recurrent disability be separated by a period greater than six months.
Reduction Disclosure	R590-161	Any reduction in the amount of benefits payable may not be reduced unless clearly explained in the policy forms.
Renewability	R590-126-4.C.2	Insured has the right to continue policy.
<b>Rating Requirements</b>		
Effective Date	R590-220-8 R590-85-4(6)	The insurer may not revise their rates until they receive the "Rates Accepted" stamp from the department. The effective date of the revision must be at a date later than the date indicated on the stamp. The right to implement an increase is forfeited if implementation is not initiated within 12 months of the filed date.
Filing Contents	R590-85-4	Required information to be submitted.
Group Policies		There are no filing requirements.
Loss Ratio	R590-85-5	Minimum loss ratio requirements.
Rate Revision	R590-85-4(3) & 5(2)	Additional requirements when requesting a rate revision.
Reasonableness	31A-22-602	Premiums must be reasonable relative to benefits.
Timeliness	R590-85-5(2)(c)	Rate increases may be prohibited if companies fail to file rate changes in a timely manner.
Utah Experience	R590-85-4(3)(h)	All filings for rate revisions must contain required Utah experience, even if it is not creditable.